



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[C-570-023]

Certain Uncoated Paper from the People's Republic of China: Preliminary Affirmative Countervailing Duty Determination and Alignment of Final Determination With Final Antidumping Duty Determination

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (the Department) preliminarily determines that countervailable subsidies are being provided to producers and exporters of certain uncoated paper (uncoated paper) from the People's Republic of China (PRC). The period of investigation is January 1, 2014, through December 31, 2014. Interested parties are invited to comment on this preliminary determination.

DATES: Effective date: (INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*.)

FOR FURTHER INFORMATION CONTACT: Patricia Tran or Joy Zhang, Office III, AD/CVD Operations, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1503 and (202) 482-1168, respectively.

Alignment of Final Countervailing Duty (CVD) Determination With Final Antidumping Duty (AD) Determination

On the same day that the Department initiated this CVD investigation, the Department also initiated a CVD investigation of uncoated paper from Indonesia and AD investigations of

uncoated paper from Australia, Brazil, the PRC, Indonesia, and Portugal.¹ The AD and CVD investigations cover the same merchandise. On June 17, 2015, in accordance with section 705(a)(1) of the Tariff Act of 1930, as amended (the Act) and 19 CFR 351.210(b)(4)(i), Petitioners² requested alignment of the final CVD determination with the final AD determination of uncoated paper from the PRC.³ Therefore, in accordance with section 705(a)(1) of the Act and 19 CFR 351.210(b)(4)(i), we are aligning the final CVD determination with the final AD determination. Consequently, the final CVD determination will be issued on the same date as the final AD determination, which is currently scheduled to be issued no later than November 2, 2015, unless postponed.

Scope of the Investigation

The product covered by this investigation is uncoated paper from the PRC. For a complete description of the scope of the investigation, *see* Appendix 1 to this notice.

Methodology

The Department is conducting this CVD investigation in accordance with section 701 of the Act. For a full description of the methodology underlying our preliminary conclusions, *see* the Preliminary Issues and Decision Memorandum.⁴ The Preliminary Issues and Decision Memorandum is a public document and is on file electronically *via* Enforcement and

¹ *See Certain Uncoated Paper From the People's Republic of China and Indonesia: Initiation of Countervailing Duty Investigations*, 80 FR 8598 (February 18, 2015); and *Certain Uncoated Paper From Australia, Brazil, the People's Republic of China, Indonesia, and Portugal: Initiation of Less-Than-Fair-Value Investigations*, 80 FR 8608 (February 18, 2015).

² Petitioners are United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union; Domtar Corporation; Finch Paper LLC; P.H. Glatfelter Company; and Packaging Corporation of America (collectively, Petitioners).

³ *See* Letter from Petitioners regarding "*Certain Uncoated Paper from People's Republic of China: Request for Alignment*" (June 17, 2015).

⁴ *See* Memorandum from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Paul Piquado, Assistant Secretary for Enforcement and Compliance regarding "Decision Memorandum for the Preliminary Determination in the Countervailing Duty Investigation of Certain Uncoated Paper from the People's Republic of China," dated concurrently with this notice (Preliminary Issues and Decision Memorandum).

Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov> and is available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Issues and Decision Memorandum can be accessed directly on the internet at <http://enforcement.trade.gov/frn/index.html>. The signed Preliminary Issues and Decision Memorandum and the electronic version of the Preliminary Issues and Decision Memorandum are identical in content.

For this preliminary determination, we have relied on facts available for Sun Paper (Hong Kong) Co., Ltd. (Sun Paper HK) and Shandong Sun Paper Industry Joint Stock Co., Ltd. (Shandong Sun Paper) (collectively Sun Paper), and UPM Changshu (UPM), mandatory respondents, because the companies did not act to the best of their ability and respond to the Department's requests for information. Further, we have drawn an adverse inference in selecting from among the facts otherwise available to calculate the *ad valorem* rate for Sun Paper and UPM.⁵ We have also relied on facts available, with adverse inferences, with respect to certain information requested of the Government of China. For further information, *see* "Use of Facts Otherwise Available and Adverse Inferences" in the Preliminary Decision Memorandum.

The Department's analysis of program usage by Asia Symbol (Guangdong) Omya Minerals Co., Ltd. (AS Omya), Asia Symbol (Shandong) Pulp & Paper Co., and Greenpoint Global Trading (Macao Commercial Offshore) Limited (Greenpoint) (collectively, the Asia Symbol Companies), a mandatory respondent, is also contained in the Preliminary Decision Memorandum.

⁵ *See* sections 776(a) and (b) of the Act.

Preliminary Determination and Suspension of Liquidation

In accordance with section 703(d)(1)(A)(i) of the Act, we calculated a CVD rate for each individually investigated producer/exporter of the subject merchandise. For companies not individually investigated, we calculated an all others rate as described below.

We preliminarily determine the estimated countervailable subsidy rates to be:

Company	Subsidy Rate
Asia Symbol (Guangdong) Omya Minerals Co., Ltd. (AS Omya), Asia Symbol (Shandong) Pulp & Paper Co., and Greenpoint Global Trading (Macao Commercial Offshore) Limited (Greenpoint) (collectively, the Asia Symbol Companies)	5.82 percent
Sun Paper (Hong Kong) Co., Ltd. (Sun Paper HK) and Shandong Sun Paper Industry Joint Stock Co., Ltd. (Shandong Sun Paper) (collectively Sun Paper)	126.42 percent
UPM Changshu (UPM)	126.42 percent
All Others	5.82 percent

We are directing U.S. Customs and Border Protection (CBP) to suspend liquidation of all entries of uncoated paper from the PRC that are entered, or withdrawn from warehouse, for consumption on or after the date of the publication of this notice in the *Federal Register*, and to require a cash deposit for such entries of the merchandise in the amounts indicated above.

In accordance with sections 703(d) and 705(c)(5)(A)(i) of the Act, for companies not investigated, we apply an estimated “all-others” rate equal to the weighted average countervailable subsidy rates established for exporters and producers individually investigated, excluding any zero and *de minimis* countervailable subsidy rates, and any rates determined entirely under section 776 of the Act. Thus, pursuant to the statute, we set the all others rate equal to the net subsidy rate of the Asia Symbol Companies.

Verification

As provided in section 782(i)(1) of the Act, we intend to verify the information submitted by the respondents prior to making our final determination.

Disclosure and Public Comment

The Department intends to disclose to interested parties the calculations performed in connection with this preliminary determination within five days of its public announcement.⁶ Interested parties may submit case and rebuttal briefs. For a schedule of the deadlines for filing case briefs, rebuttal briefs, and hearing requests, *see* the Preliminary Issues and Decision Memorandum.

U.S. International Trade Commission (ITC) Notification

In accordance with section 703(f) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all non-privileged and non-proprietary information relating to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order, without the written consent of the Assistant Secretary for Enforcement and Compliance.

⁶ *See* 19 CFR 351.224(b).

In accordance with section 705(b)(2) of the Act, if our final determination is affirmative, the ITC will make its final determination within 45 days after the Department makes its final determination.

This determination is issued and published pursuant to sections 703(f) and 777(i) of the Act and 19 CFR 351.205(c).

Dated: June 22, 2015.

Paul Piquado,
Assistant Secretary
for Enforcement and Compliance.

Appendix 1

Scope of the Investigation

The merchandise covered by these investigations includes uncoated paper in sheet form; weighing at least 40 grams per square meter but not more than 150 grams per square meter; that either is a white paper with a GE brightness level⁷ of 85 or higher or is a colored paper; whether or not surface-decorated, printed (except as described below), embossed, perforated, or punched; irrespective of the smoothness of the surface; and irrespective of dimensions (Certain Uncoated Paper).

Certain Uncoated Paper includes (a) uncoated free sheet paper that meets this scope definition; (b) uncoated groundwood paper produced from bleached chemi-thermo-mechanical pulp (BCTMP) that meets this scope definition; and (c) any other uncoated paper that meets this scope definition regardless of the type of pulp used to produce the paper.

Specifically excluded from the scope are (1) paper printed with final content of printed text or graphics and (2) lined paper products, typically school supplies, composed of paper that incorporates straight horizontal and/or vertical lines that would make the paper unsuitable for copying or printing purposes.

Imports of the subject merchandise are provided for under Harmonized Tariff Schedule of the United States (HTSUS) categories 4802.56.1000, 4802.56.2000, 4802.56.3000, 4802.56.4000, 4802.56.6000, 4802.56.7020, 4802.56.7040, 4802.57.1000, 4802.57.2000, 4802.57.3000, and 4802.57.4000. Some imports of subject merchandise may also be classified under 4802.62.1000, 4802.62.2000, 4802.62.3000, 4802.62.5000, 4802.62.6020, 4802.62.6040, 4802.69.1000, 4802.69.2000, 4802.69.3000, 4811.90.8050 and 4811.90.9080. While HTSUS subheadings are provided for convenience and customs purposes, the written description of the scope of the investigations is dispositive.

⁷ One of the key measurements of any grade of paper is brightness. Generally speaking, the brighter the paper the better the contrast between the paper and the ink. Brightness is measured using a GE Reflectance Scale, which measures the reflection of light off a grade of paper. One is the lowest reflection, or what would be given to a totally black grade, and 100 is the brightest measured grade. “Colored paper” as used in this scope definition means a paper with a hue other than white that reflects one of the primary colors of magenta, yellow, and cyan (red, yellow, and blue) or a combination of such primary colors.

Appendix 2
List of Topics Discussed in the Preliminary Issues and Decision Memorandum

- I. Summary
- II. Background
- III. Alignment
- IV. Scope Comments
- V. Scope of the Investigation
- VI. Injury Test
- VII. Application of Countervailing Duty Law to Imports from the PRC
- VIII. Subsidies Valuation
- IX. Benchmark and Discount Rates
- X. Use of Facts Otherwise Available and Adverse Inferences
- XI. Analysis of Programs
- XII. ITC Notification
- XIII. Disclosure and Public Comment
- XIV. Verification
- XV. Conclusion

Appendix

[FR Doc. 2015-15891 Filed: 6/26/2015 08:45 am; Publication Date: 6/29/2015]